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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

MAR 27 2015

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AZ CORP COMMISSION  
DOCKET CONTROL

BOB STUMP, Chairman  
GARY PIERCE  
BRENDA BURNS  
SUSAN BITTER SMITH  
BOB BURNS

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY,  
AN ARIZONA CORPORATION, FOR  
AUTHORITY TO IMPLEMENT ARSENIC COST  
RECOVERY MECHANISMS FOR ITS AGUA  
FRIA WATER, SUN CITY WATER WEST,  
HAVASU WATER AND TUBAC WATER  
DISTRICTS.

DOCKET NO. W-01303A-05-0280  
DOCKET NO. WS-01303A-02-0867  
DOCKET NO. WS-01303A-02-0869  
DOCKET NO. WS-01303A-02-0870

DECISION NO. 68825  
DECISION NO. 69173  
DECISION NO. 69181

NOTICE OF COMPLIANCE FILING

Decision Nos. 68825, 69173 and 69181 order EPCOR Water Arizona Inc. ("Company") to file by April 1<sup>st</sup> of each year subsequent to any year in which it collects surcharges under an ACRM, a report with Docket Control, as a compliance item in this docket, showing the Company's ending capital structure (equity, long-term debt, and short-term debt) by month for the prior year. In compliance with the decisions stated above, the Company hereby files the attached 2014 Capital Structure Report. However, these decisions refer to ACRM surcharges collected in Agua Fria Water, Sun City West and Havasu Water districts which are no longer effective. Therefore, as the Company is no longer collecting ACRM surcharges for any of these districts this compliance item is no longer valid and this will be the final compliance report filed.

RESPECTFULLY SUBMITTED on March 27, 2015.

*Sandra L. Murrey*

Sandra L. Murrey  
Rate Analyst  
EPCOR Water  
2355 W. Pinnacle Peak Road, Suite 300  
Phoenix, AZ 85027

1 Original and 13 copies **filed**  
2 on March 27, 2015 with:

3  
4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007

8  
9 Copies of the foregoing **emailed**  
10 on March 27, 2015 to:

11  
12 Brian K. Bozzo  
13 Compliance and Enforcement Manager  
14 Utilities Division  
15 1200 West Washington Street  
16 Phoenix, AZ 85007

1           3.     Approval of an arsenic cost recovery mechanism is consistent with the  
2 Commission's authority under the Arizona Constitution, Arizona ratemaking statutes, and  
3 applicable case law.

4           4.     It is in the public interest to approve the Company's request for implementation of  
5 the ACRM.

6                                 ORDER

7           IT IS THEREFORE ORDERED that the application by Arizona-American Agua Fria  
8 Water District for the implementation of the Arsenic Cost Recovery Mechanism is approved as  
9 discussed herein.

10          IT IS FURTHER ORDERED that the application by Arizona-American Agua Fria Water  
11 District for approval of an arsenic cost recovery mechanism surcharge tariff shall be in accordance  
12 with the attached ACRM Schedule DRR-1.

13          IT IS FURTHER ORDERED that Arizona-American Agua Fria Water District shall notify  
14 its customers of the arsenic cost recovery surcharge tariff approved herein within 30 days of the  
15 effective date of this Decision.

16          IT IS FURTHER ORDERED that Arizona American shall file, by April 1<sup>st</sup> of each year  
17 subsequent to any year in which it collects surcharges under an ACRM, a report with Docket  
18 Control, as a compliance item in this docket, showing the Company's ending capital structure by  
19 month for the prior year.

20          IT IS FURTHER ORDERED that Arizona-American shall file a permanent rate application  
21 for its Agua Fria Water District by no later than May 31, 2008, based on a 2007 test year as per  
22 Decision No. 68310.

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1 IT IS FURTHER ORDERED that the Company shall file with Docket Control, as a  
2 compliance item in this docket, a report showing the Company's ending capital structure by month  
3 for the prior year. The first report shall be due on April 1, 2007, and shall be provided each  
4 April 1<sup>st</sup> thereafter until such time as a subsequent order of the Commission discontinues the  
5 ACRM surcharge.

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ORDER

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EPCOR Water Arizona, Inc.  
Capital Structure for 2014 (Defined as equity, long-term debt and short-term debt)  
\$ millions

Compliance for Decision No. 68825 & 69173 & 69181

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Equity	\$ 168.6	\$ 169.1	\$ 164.4	\$ 165.1	\$ 167.4	\$ 159.4	\$ 163.3	\$ 165.5	\$ 166.6	\$ 168.1	\$ 169.6	\$ 174.6
LT Debt	231.7	231.7	231.7	231.7	231.7	231.7	231.7	231.7	231.7	231.7	231.7	231.7
ST Debt	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6	8.6
Total Capital	\$ 408.9	\$ 409.4	\$ 404.7	\$ 405.4	\$ 407.7	\$ 399.7	\$ 403.6	\$ 405.7	\$ 406.8	\$ 408.4	\$ 409.9	\$ 414.9